



EXHIBIT 9
DATE 1/26/2011
HB 274

MONTANA SECRETARY OF STATE

LINDA McCULLOCH

HB274 Provide that employment of an unauthorized alien is unlawful
Judiciary, RM 137
January 26, 2011 @ 8:00 AM
Linda McCulloch's Informational Testimony
Fiscal Note: \$19,733

- Good morning Mr. Chair, members of the committee. For the record, I am Linda McCulloch, Montana Secretary of State.
- I'm here as an informational witness to comment on the \$20,000 fiscal impact HB274 will have on the Secretary of State's office.
- HB274 requires the Secretary of State's office to suspend corporations and partnerships that employ unauthorized aliens upon notification from the Department of Labor and Industry.
- To comply with this mandate, the Secretary of State's office will have to upgrade our 1978 mainframe system – which is currently the principal operating system for all businesses service operations in our office. This application does not currently have the functionality to suspend partnerships without being enhanced.
- There is only one vendor in the area that can service this 1978 mainframe, and they charge \$117 an hour for that to service. In fact, they charged us \$117 an hour to even tell us how much they would charge us if this bill passed.
- As a reminder, the Secretary of State's office is an enterprise funded office, meaning we operate almost solely off of fees for services and do not receive monies from the general fund.
- We appreciate your consideration of the associated costs to the Secretary of State's office to implement this legislation.
- Thank you for your time.